

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 7029

BILL NUMBER: HB 1760

DATE PREPARED: Jan 10, 2001

BILL AMENDED:

SUBJECT: Research and development tax credits.

FISCAL ANALYST: Diane Powers

PHONE NUMBER: 232-9853

FUNDS AFFECTED:

**GENERAL
DEDICATED
FEDERAL**

IMPACT: Pending

Summary of Legislation: Increases the research expense tax credit percentage from 5% to 6%. Makes the tax credit permanent by eliminating its expiration date. Modifies the tax credit by repealing the apportionment limit. (For a taxpayer with income apportioned to Indiana, this provision currently limits the credit to the lesser of the taxpayer's Indiana qualified research expenses or its apportioned research expenses for the year. This bill would provide that a taxpayer's credit is based solely on the taxpayer's Indiana qualified research expenses.)

Effective Date: January 1, 2001 (retroactive).

Explanation of State Expenditures: *As of the above date, the fiscal analysis of this bill has not been completed. Please contact the Office of Fiscal and Management Analysis for an update of this fiscal impact statement.*

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected:

Local Agencies Affected:

Information Sources: